

DEPARTMENT OF CHILDREN AND FAMILIES
DIVISION OF FAMILY AND ECONOMIC SECURITY
ADMINISTRATOR'S MEMO SERIES

☐ ACTION
☒ NOTICE 10-14

ISSUE DATE: 12/01/2010
DISPOSAL DATE: 12/31/2011

*PROGRAM CATEGORIES:

<input type="checkbox"/> AS	<input type="checkbox"/> FM	<input type="checkbox"/> ML	<input type="checkbox"/> TR
<input type="checkbox"/> CC	<input type="checkbox"/> FL	<input type="checkbox"/> NA	<input checked="" type="checkbox"/> W-2
<input type="checkbox"/> CS	<input type="checkbox"/> IT	<input type="checkbox"/> RA	<input type="checkbox"/> WIA
<input type="checkbox"/> CF	<input type="checkbox"/> JC	<input type="checkbox"/> TC	
<input type="checkbox"/> CR	<input type="checkbox"/> LM	<input type="checkbox"/> TA	

To: W-2 Contract Agency Directors

From: Julie Kerksick
Division Administrator

RE: 2011 Wisconsin Works and FoodShare Employment and Training Worker's
Compensation Premium Rates

PURPOSE:

This memo announces there will be no change in the W-2 and FSET Worker's Compensation (WC) Premium rates for Calendar Year 2011 (CY2011). The current rates which will remain in effect through CY2011 are \$15 per participant per calendar quarter.

BACKGROUND:

All W-2 Contract Agencies and FSET Agencies are required to provide WC coverage for their participants engaged in a work experience unless the work site sponsor agrees to provide coverage.

- Specifically for W-2 Contract Agencies, 49.147(4)(c), Wis. Statutes states that "A participant under this subsection is an employee of the Wisconsin works agency for purposes of worker's compensation coverage, except to the extent that the person for whom the participant is performing work provides worker's compensation coverage."
- Specifically for FSET Agencies, 49.79(9)(a)5, Wis. Statutes states that "A participant in an employment and training program under this subsection administered by a Wisconsin Works agency or another provider is an employee of the Wisconsin Works agency or other provider for purposes of worker's compensation coverage, except to the extent that the person for whom the participant is performing work provides worker's compensation coverage."

The Department of Children and Families (DCF), Division of Family and Economic Security (DFES) offers a statewide program to W-2 Contract Agencies that covers WC liability for W-2

participants in Community Service Job (CSJ) or W-2 Transitional (W-2T) Placements injured during an assigned work experience, and to FSET Agencies under contract with DHS that covers WC liability for FSET participants injured during an assigned work experience.

W-2 Contract Agencies that opt to participate in the program are charged WC premiums as a direct expense to their W-2 Base contract for their W-2 participants. The premiums are charged on a quarterly basis and are based on the average number of participants enrolled in a work experience for each of the three months within each calendar quarter per the Client Assistance for Reemployment and Economic Support (CARES) System. Each participating agency is currently charged \$15 per participant, using a three month average, per calendar quarter which is \$5 per participant per month for coverage.

Sentry Insurance is currently under contract with the State to provide claim services for the W-2 Contract Agencies, and for the FSET Agencies under contract with DHS, who opt to be covered by the State's Self-Insured WC Program. Sentry Insurance also provides coverage for liabilities in excess of the State's Self-Insured amount of \$350,000 per occurrence. This coverage applies ONLY to W-2 and FSET participants engaged in a work experience.

DCF has an actuarial study completed as of the end of each state fiscal year and those results are utilized in the determination of the next calendar year's WC premium rate. The next actuarial study of the Worker's Compensation fund will be as of June 30, 2011.

ACTION SUMMARY STATEMENT:

All W-2 Contract Agencies had the option to choose to obtain WC coverage for their W-2 participants when the 2010-11 W-2 & Related Programs Contracts were issued by completing and returning the appropriate form found in Attachment B. The Agency selections made on Attachment B will remain in effect through December 31, 2011 unless the Department receives a written request to change that selection.

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